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[Review of the book *The Mismanagement of Talent: Employability and Jobs in the Knowledge Economy*]

Abstract

[Excerpt] In *The Mismanagement of Talent*, Brown and Hesketh argue that rooted within the dominant discourse of the "war for talent" are several core assumptions that have shaped our perspective on employability in the KBE. The most central of these is that there is a limited pool of talent capable of rising to senior managerial positions, which creates fierce competition to recruit the best and brightest. The perception of talent as a limited commodity is seen as driving organizations to diversify their talent pools and adopt more rigorous recruitment and selection tools in an effort to get the right people, with the right knowledge, into the right jobs. That perception also shapes public policy, as governments focus on expanding access to higher education and dismantling barriers to talent

presented by fundamental forms of inequality so that their work forces are positioned to compete in the global economy. Also affected are future knowledge workers themselves, who are pushed to acquire the employability skills that will ostensibly guarantee them the high-skilled, high-wage jobs generated within the KBE.

Keywords

talent, human resource management, recruiting, performance, knowledge-based economy, KBE

Disciplines

Human Resources Management | Labor Relations

Comments

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The Mismanagement of Talent: Employability and Jobs in the Knowledge Economy. By Phillip Brown and Anthony Hesketh. New York: Oxford University Press, 2004. x, 278 pp. ISBN 0-19-92-6953-X, \$39.95 (paper); 978-0-19-92-6954-9, \$124.50 (cloth).

A 1997 landmark study by McKinsey & Company exposed the “war for talent” as a strategic business challenge and key driver of company performance. Although the McKinsey consultants were certainly not the first to note the shift toward a knowledge-based economy (KBE)—Peter Drucker predicted the rise of the knowledge worker over a half-century ago—their report has perhaps done most to promulgate the “war for talent” perspective and the view that companies that are victorious on this battlefield will be those that realize competitive advantage in the KBE.

In *The Mismanagement of Talent*, Brown and Hesketh argue that rooted within the dominant discourse of the “war for talent” are several core assumptions that have shaped our perspective on employability in the KBE. The most central of these is that there is a limited pool of talent capable of rising to senior managerial positions, which creates fierce competition to recruit the best and brightest. The perception of talent as a limited commodity is seen as driving organizations to diversify their talent pools and adopt more rigorous recruitment and selection tools in an effort to get the right people, with the right knowledge, into the right jobs. That perception also shapes public policy, as governments focus on expanding access to higher education and dismantling barriers to talent

presented by fundamental forms of inequality so that their work forces are positioned to compete in the global economy. Also affected are future knowledge workers themselves, who are pushed to acquire the employability skills that will ostensibly guarantee them the high-skilled, high-wage jobs generated within the KBE.

In the first chapter-and-a-half, the authors outline those core assumptions. The remainder of the book is dedicated to challenging this "consensus view" of the "war for talent" and exposing what the authors believe are serious problems in how companies recruit the managers and leaders of the future and manage their human capital, how government is adjusting (or failing to adjust) to the realities of the KBE, and how future knowledge workers are trying to manage their employability in the competition for fast-track management positions. The book draws heavily on the authors' fieldwork, which consists of 15 interviews with representatives of private and public sector organizations, 10 interviews with policy stakeholders, and observations of assessment center processes within 6 organizations. In addition, the authors integrate evidence from interviews with 60 college and university graduates who were applicants to the organizations under investigation. Although the authors' own work is limited to organizations and students within the United Kingdom, they adduce employment data from the United States as evidence that their findings and conclusions transcend geographical boundaries.

At the heart of this volume lies the authors' macro analysis of the KBE. Brown and Hesketh challenge positional consensus theory, according to which the key challenge in the modern economy is ensuring that individuals have the employability skills to take advantage of high-skilled, high-wage job opportunities. They argue that this consensus view of employability ignores the realities of the occupational structure and the demand for knowledge workers in the KBE. In particular, they contend that managerial and professional jobs remain at a premium, which leads to positional conflict in which not everyone with the appropriate qualifications and skills can win because there are invariably far more applicants than job opportunities.

In support of their position, Brown and Hesketh present occupational data suggesting that the U.K. and U.S. economies continue to be dominated by routine production and service, rather than knowledge, occupations. This leads to the conclusion that job opportunities

for knowledge workers are much more limited than the proponents of the KBE would have us believe. This is a central tenet of the authors' theory and one that serves as the foundation for their arguments in this book.

I found the data and the authors' macro analysis of the current KBE convincing. It should be borne in mind, however, that several important differences exist across the U.S. and U.K. datasets. Most notably, the U.S. data show a far higher proportion of workers engaged in service occupations than in either knowledge or routine production occupations, whereas the U.K. data indicate a significantly higher proportion of workers in knowledge and, particularly, routine production occupations than in service occupations. Further, there exist marked differences across these datasets with respect to the projected growth in the proportion of knowledge workers. Unfortunately, the authors do very little to help us make sense of these differences and their potential implications. Nonetheless, their macro analysis of the KBE raises thought-provoking questions regarding the legitimacy of the "war for talent" and the employment prospects of future knowledge workers.

The focus of the book then shifts to understanding how companies define and approach managerial talent and leadership potential within the KBE. It is argued that many organizations are locked into a "war for talent" that bears little relationship to the reality of the labor market. This focus on winning the talent war, however misplaced it might be, is seen as having numerous implications. Despite the rhetoric of organizational change and recruitment for diversity, it is argued that many organizations have maintained an elitist view of managerial employability and have continued employing fast-track recruitment processes that fail to neutralize fundamental forms of injustice. Brown and Hesketh suggest that the focus on recruiting individuals who demonstrate not only future potential but an ability to add immediate value has led to difficult-to-define skill requirements. They conclude that as organizations attach greater importance to applicants' personal qualities, such as drive and initiative, the purported objectivity of modern recruitment practices breaks down and leads to hiring decisions based on "gut feeling." This is a bold and controversial conclusion that needs to be evaluated cautiously given that it is based largely on observations of assessment centers in only a few (six) organizations. Future work is needed to expand the scope of this investigation and

critically evaluate such findings in the context of current recruitment and selection theory. Yet, this book does provide an interesting perspective on the potential forces driving the homogenization of talent in leading companies.

Another thoroughly examined subject in this volume is how young knowledge workers socially construct and manage their employability. Through a series of interviews, the authors focus on assessing not only recent college and university graduates' expectations of finding well-paid and rewarding jobs but also the different strategies employed by graduates in the competition for tough-entry jobs. This assessment leads to the identification of two "ideal types" of graduates—Players and Purists. The Players understand employability as a positional game and market themselves in ways that conform to the requirements of employers. Alternatively, the Purists view the competition as a meritocratic race and focus on finding employment that offers the right fit with their knowledge, skills, and aspirations. This analysis provides insight into how those at the top end of the labor market have responded to changes in employer requirements and the intense competition for top knowledge jobs. The authors also suggest that these differences between the Players and Purists highlight the ethical tension around the question of which routes to success are legitimate. One fertile ethics-related question is whether Player behavior leads to competitive advantage in the quest for top knowledge jobs.

Overall, *The Mismanagement of Talent* presents a compelling alternative view of the "war for talent." Brown and Hesketh unabashedly challenge the dominant discourse of the knowledge-driven economy and provide a critical analysis of current management practice and public policy. While many readers may take issue with the authors' sometimes controversial arguments, I recommend this volume to anyone who is not afraid to follow a provocative exploration of the knowledge-based economy's far-reaching implications.

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